

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Palau National Communications Corporation)	DA 01-2838
)	
Petition for Declaratory Ruling that Palau)	
National Communications Corporation is)	
Subject to FCC Jurisdiction and Eligible to)	
Participate in Universal Service Programs and)	
the Nation Exchange Carrier Association)	
)	
Petition for Related Waivers and Application)	
for International Section 214 Authority)	
)	
Federal-State Joint Board on Universal)	CC Docket No. 96-45
Service)	

COMMENTS

The National Exchange Carrier Association, Inc. (NECA) submits its Comments in response to Palau National Communications Corporation's (Palau) above-captioned Petition for Waiver.¹ These comments are made in accordance with the Commission's December 6, 2001 *Public Notice*.²

¹ Palau National Communications Corporation, Petition for Declaratory Ruling that Palau National Communications Corporation Is Subject to FCC Jurisdiction and Eligible to Participate in Universal Service Programs and the National Exchange Carrier Association, Petition for Related Waivers and Application for International Section 214 Authority, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, filed Nov. 16, 2001 (Palau Petition).

² Palau National Communications Corporation Seeks a Declaratory Ruling and waiver of Certain Provisions of Parts 36, 54, and 69 of the Commission's Rules, CC Docket No. 96-45, *Public Notice*, DA 01-2838 (rel. Dec. 6, 2001)(*Public Notice*).

In its Petition, Palau requests a declaratory ruling and related waivers to include Palau in the Commission's universal service program and to allow it to participate in NECA.³

Specifically, Palau requests a declaratory ruling that the Compact of Free Association between the United States and Government of Palau gives the FCC jurisdiction over Palau's common carrier operations.⁴ Therefore, Palau states, Palau must be included in the Commission's high-cost universal service program pursuant to section 254 of the Act.⁵ Additionally, Palau requests waivers of certain provisions of the Commission's rules that would otherwise preclude it from receiving high-cost universal service support and participating in NECA's access tariffs and pools as of January 1, 2002.⁶

NECA has reviewed Palau's Petition, and has no objection to inclusion of Palau's access lines in the common line and traffic sensitive pools. Palau requests the waiver of Commission's rules to allow its participation in the NECA pools. Absent this waiver, Palau would not be able to participate in the NECA pools, and therefore, would be prevented from receiving interstate access settlements from NECA. However, inclusion of Palau's access lines in NECA's tariff, effective as soon as Palau begins offering service pursuant to FCC waivers will create no undue administrative burden for NECA, nor will it result in any disadvantage to other tariff participants.

³ Palau Petition at 1.

⁴ *Id.*

⁵ *Id.* at 1 – 2. *See also* Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat 56 (1996)(Act). The Act amended the Communications Act of 1934. 47 U.S.C. §§ 151 *et seq.*

⁶ Palau Petition at 2. Specifically, Palau asks for waiver of: (1) the definition of "incumbent local exchange carrier," as that term is used in certain provisions of parts 36, 54, and 69 of the Commission's rules; (2) sections 36.611 and 36.612 of the Commission's rules to enable Palau to receive high cost loop support based on forecasted or estimated costs; (3) the definition of "study area" in the Part 36 Glossary-Appendix; and (4) any other rules that may be necessary to waive to enable Palau to receive all forms of high-cost support provided in the Commission's rules. *See* Palau Petition at n. 1. *See also Public Notice* at 1.

NECA therefore urges the Commission to give favorable consideration to Palau's request for waiver. If the Commission decides to grant the requested relief, NECA believes that it will be able to implement the Commission's directives in a timely fashion with minimal administrative burden.

Respectfully submitted,

National Exchange Carrier
Association, Inc.

Martha West
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January 7, 2002

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the Comments was served this 7th day of January 2002, by electronic delivery or by mailing copies thereof by United States Mail, first class postage paid, to the persons listed below.

By: /s/ Shawn O'Brien
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